

To: Audit and Governance Committee

Date: 27th April 2010

Item No:

Title of Report:

Benefit Investigation – 2008/09 outcomes

Summary and Recommendations

Purpose of report:

1. To report to Members the Benefit Investigations and Outcomes for the period 2009/10.

Key Decision: No

Board member: Councillor Bob Price

Scrutiny Responsibility: Value & Performance

Ward(s) affected: None

Report Approved by: Lindsay Cane, Law and Governance

Policy Framework: Financial stability

Recommendation(s): Members are asked to note the report.

1. To report to Members the Benefit Investigations and Outcomes for the period 2008/09.

The Investigation Team has several performance measures that are reported to the Department for Work and Pension on a monthly basis. There are also internal performance measures, which have remained in place, though there is no longer a requirement to complete these quarterly performance measures to the Audit Commission.

In 2009/10 one of these measures; the number of cases investigated and closed, has been affected by the economic downturn and the rise in the number of people claiming benefits.

The key performance indicators for the Investigation Service as reported to the Chief Executive are;

- **BV076c** - Numbers of completed investigations per 1000 live benefit case load. This was set on an expected average live case load of 10,902. To achieve this the team needed to investigate and close 900 investigations during the 12 month period. The team have investigated and closed a total of 967 cases. The set performance measure for 2009/10 of investigating and closing 83.24 per 1000 live case load has not been met due to the rise of the average number of live benefit claims increasing to 11,812. The performance achieved for 2009/10 was 81.87 investigated and closed cases per 1000 live benefit claims.

- **BV076d** - Number of sanctions; successful Prosecutions, Formal Cautions and Administrative Penalties per 1000 live benefit case load. This was set on an expected average live case load of 10,902. To achieve this the team needed to sanction 69 claimants during the 12 month period. The team have sanctioned a total of 84 claimants for fraudulently claiming benefits that they were not entitled to. The set performance measure for sanctions in 2009/10 was set at 6.22 cases per 1000 live case load. This performance measure has been exceeded. The performance achieved for 2009/10 was 7.11 claimants sanctioned for benefit fraud per 1000 live benefit claims. The breakdown of successful Prosecution, Cautions and Administrative Penalties is as follows;
 - Prosecutions - 20
 - Cautions – 47
 - Ad Pens – 17

- A Council Tax payer has been cautioned for dishonestly failing to inform the Council that they were no longer living alone and continued to receive Single Person Discount on their CTAX for 2009/10 and the Police, Crown Prosecution Service, have successfully prosecuted an individual under the Fraud Act for depriving the Council of revenue by failing to declare that she was resident at the liable address and that the address was not wholly occupied by students. These 2 cases are not included in the sanction performance results above.

- Although there is no formal reporting mechanism or targets set in relation to the effectiveness of the investigation team regarding the level of overpayments raised during 2009/10, it should be noted that as a direct result of the work done by the investigation team £785,781 in Housing and Council Tax Benefit overpayments have been raised. This is broken down as follows;
 - Rent Rebate, Council Tenancies - £180,273
 - Rent Allowance and LHA, Private Tenancies - £498,847
 - Council Tax - £106,660This attracts a total of £422,476 in grant subsidy to the Authority.

- The team have also been successful in working in partnership with the Job Centre Plus Investigation Service in realising £282,084 in other Welfare Benefits overpayments.
- In addition to the above identified overpayments the current position regarding the savings for NFI 2008 is £292,747. This is broken down as follows;
 - Council Tax £82,075
 - Creditors £16,400
 - UK Visas £20,652
 - Housing Benefit related matches - £173,620
(£36,814 of this figure is recorded and reported in the overpayment figure £785,781 above)

The table showing all performance measures monitored throughout the year is attached at Appendix 1

Recommendations

Members are asked to acknowledge the performance outcomes of the Investigation Team for 2009/10.

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